IMPACT OF EMPLOYEES SATISFACTION ON HIGHER PRODUCTIVITY IN INDIAN POWER SECTOR : A CASE STUDY OF BHEL, BHOPAL

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Introduction

In the changing scenario, we cannot continue with old priorities. Employees satisfaction is a traditional concept has gained real impacts during yester decades marked by globalization and liberalization. Power Sector in India is accelerating in full pace in order to satisfy their employees for making this sector top in class sector. Management of BHEL is providing various benefits to the employees of the organization. Bharat Heavy Electrical Ltd. (BHEL) is a leading public sector undertaking plant of Bhopal (MP). BHEL is one of the major industries plays significant role in countries economic development. BHEL, Bhopal is best in class indigenous heavy electrical equipment industry, which became public limited company in 1991. It is producing various types of electrical, electronic and mechanical equipment's for all the sectors. BHEL has a strong belief that is Human Resource is an important asset and therefore the organization is committed for the betterment of its employees for making them satisfied. Keeping these points in view BHEL, Bhopal is providing various benefits to their employees.

In addition to Compensation in the form of wages and salaries, Organizations provide various services to the employees known as Employee Benefits. Previously these services and Programs were known as fringe benefits. Now these have become part of compensation package hence the word fringe in now not used and not appropriate. Now-a-days employee benefits are regarded as an important tool to retain employees and to improve the line of the Organization.

The Employee Satisfaction may be described as how pleased an employee is with his or her position of employment. Employee Satisfaction is a

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comprehensive term that comprises job satisfaction of employees and their satisfaction overall with company's policies, company environment etc.

Frederick Herzberg's Two Factor Theory of Satisfaction

Five decades ago, Frederick Herzberg tried among 140 accountants and engineers from Pittsburg to test what makes people especially satisfied and dissatisfied with their jobs. He analyses the information and found surprising results. The satisfaction and dissatisfaction stemmed from two different sources as,

Herzberg's Two-Factor Theory

Job satisfaction, Motivators	Job dissatisfaction, Hygiene Factors
Achievement	Poor supervision
Opportunities for personal growth	Pay
Recognition	Company policies
Responsibility	Working conditions
Promotion Opportunities	Job security

Although one may expect that the presence of certain factors leads to job satisfaction, and absence of these leads to job dissatisfaction. But, this was not the case. It was found that job satisfaction was associated with conditions surrounding the job e.g., working conditions, pay security, quality of supervision, etc. rather than the work itself. Hence, these factors prevent negative reactions, Herzberg referred to them maintenance or hygienic factors. By contrast, job satisfaction was associated with factors associated with the work itself or to outcomes directly derived from it such as achievement, promotion, appreciation, recognition and chances for personal growth. Because such factors were associated with the high levels of job satisfaction, Herzberg called them motivators, this is referred to as the 'Two-Factor'.

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As regards the validity of Herzberg's job satisfaction theory, studies have yielded mixed results. While some studies have supported the findings of Herzberg's, others have found that both hygiene and motivational factors exert strong effect on both satisfaction and dissatisfaction. Not with standing, Herzberg's theory is useful for describing and understanding the condition that people found satisfying and dissatisfying on the job.

There are various factors that Contribute to Employee Satisfaction, it includes treating employees with respect, timely performance appraisals, providing regular employee recognition, empowering employees, relationship with immediate supervisor, providing employee perks, company activities, positive management within a success framework of goals, feeling safe in the work environment, opportunities to use skills and abilities, compensation and benefit, promotions, training, work tasks factors, relationship with co-workers, relationship with supervisors. But it is employees benefits which plays significant role in satisfying employees in BHEL.

1.1 Review of Literature

Philip (2006) has pointed out that to increases an employee's motivation; the management must get the employees to perceive that he will achieve higher satisfaction at a higher effort level.

Sinha (1991) in his study on Employee Recognition specifies recognition as a positive public acknowledgement of person's abilities and efforts. He think it as a powerful achievement motivator through the enhancement of the self-worth of employees.

Unnikrishnan (1992) has observed that qualified employees should be properly Satisfied by giving them higher grade promotion and benefits.

Pushpa (1993) observes that most of the industrial atmosphere dominated by male, most of them are middle aged and above. This indicates lack of initiative

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and vitality. Proper Satisfaction and benefits from the part of the management will be a remedy to this.

Rahman (1996) indicates that in order to satisfy the employees to increase their efficiency for productivity the management should provide benefits to the workers and make them feel that their benefits is appreciated by the management.

Rama (1996) has suggested that to motivate people by rewards and recognition is essential for increasing productivity.

Biswajeet Pattana yak (1997) explains that Satisfaction is will-to-do and is individual oriented. If the individual does not feel inclined to engage himself in the work behaviour, he will not put in adequate efforts to perform well, which will have negative impact on productivity.

Michael (1999) pointed to provides adequate satisfaction to the employees, for their career advancement. Employees benefits provides a sense of belonging which provide satisfaction to the employees in productivity.

Radhika (2007) indicates that benefits is a psychological process which is related to human side and through which the desires, needs or tensions of the employees can be understood and they are inspired in such a way to proceed in a desired direction, for attainment of specified goals.

Narayana (2008) suggested that some people perform better than others. The same person can act differently at different times. Human behaviour is the result of Satisfaction process. Satisfaction is an inspirational process which impels the members of the team.

1.2 Statement of Research Problem

The main problem of the study is to find out the role of benefits in employees satisfaction in BHEL (Bhopal). BHEL is a state of art Organization providing various benefits to satisfy its employees for making Organization more productive but these are not as per employee's expectations. During yester decades it has been found that the types of benefits provided to its employees

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has mostly been traditional and not up to mark. This has been the cause that the employees of BHEL have not been able to satisfy his all wishes. These have negative impact over the image and productivity of the BHEL. Employee satisfaction is of utmost importance in any Organization, small or large. It playsa significant role in defining organizational success. Every organization develops strategies that strengthen the work environment and increase the employees' satisfaction level to enhance employees' performance and productivity, which ultimately results in high profits, customer satisfaction as well as customer retention. Satisfied employees are preferred because they simply make a work environment and organizational climate better. There are different practices that an organization can perform to create a better and more effective work environment; these practices can directly affect employee satisfaction. Employee satisfaction has a great impact upon the performance and productivity of an employee. Performance of the job by an employee also requires that his expectations and aspirations in terms of rewards, consideration and fulfilment of his needs. If these are fulfilled, he/she will be satisfied for the outcome of job performance. Greater employee satisfaction would generally motivate the employees in performing their tasks more efficiently. There seems to be a strong correlation between employee satisfaction and organizational commitment. Higher commitment can facilitate higher productivity.

Employee satisfaction plays a very vital role on the productivity of an organization. It is essential to know as to how employees can be retained by making them satisfied and motivated to achieve extraordinary results. It is essential to know as to how employees can be retained through making them satisfied and motivated to achieve extraordinary results. It is indispensable for an organization to exactly feel as to what employees feel, think, wish and to discover and make strategies that how the staff dedication and commitment can be improved. Through this initiative business outcomes can be improved and, productivity can be improved. Productivity can be enhanced, commitment can

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get strengthened. Increasing staff satisfaction is very vital and important factor for the success of an organization.

Power sector (BHEL) operate its function in an environment in which the employees have come to expect comprehensive benefits program. The absence of an inadequate program can adversely affect the organizational ability to attract and keep it people. India is a welfare state and hence take care of its people. Against that backdrop power sector (BHEL) provides several benefits to the employees out of social security, medical, dependents medical, transport, recreational, Funeral benefits.

With a population of 1.4 billion and one of the world's fastest-growing major economics, it will be vital for the future of the Indian energy markets. The Government of India has made impressive progress in recent years in increasing citizens access in power sector.

1.3 Objectives of the study

Nothing is possible, when BHEL, Bhopal has pool of dissatisfied employees and nothing is impossible when it has team of highly satisfied employees having more commitment and who can transform the BHEL into top in class organization people are in the Centre of organizational (BHEL's) dynamics. It is employee who can make organization a performing organization and can turn negative into positive, but without satisfying employees it is not possible. Hence in order to keep employees satisfied. BHEL, Bhopal provides more benefits to its people.

Globalization and technology have fuelled great growth in the power sector. In this cyclonic business environment, new strategies and philosophies have been emerged out for the optimal use of available resources. As a result of these strategies, retention of intellectual capital has become an important for competitive advantage. Employee's commitment and satisfaction are important for the productivity and profitability of organizations. Employee's satisfaction

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is a central concern particularly in the BHEL, Bhopal. Against that back drop the main objective of our study will be as follows:

- To examine the role of employees Satisfaction.
- To study the levels of employees Satisfaction.
- To examine the impact of employees Satisfaction on the higher productivity.
- To suggest remedial measures.

1.4 Research Hypothesis

With the help of collected data, suitable mathematical and statistical techniques the below stated hypothesis will be tested.

H0: Employees satisfaction does not impact the higher productivity in BHEL, Bhopal.

H1: Employees satisfaction does impact the higher productivity in BHEL, Bhopal.

1.5 Importance of the Study

Bharat Heavy Electrical Ltd. (BHEL), a Navratna Company, is one of the best managed and International renowned public sector units of the country. It is a highly profitable company and its stocks are priced quite high in the market. The government currently holds 71.3% equity in the organization and the remaining is held by the public financial and other institutions. Even after 10% divestment, the government will continue to hold the majority stake of 62.7%. This divestment percentage does not mean privatization. BHEL's investment in Research & Development is amongst the largest in the corporate sector in India. Satisfying employees retaining them is critical to the success of BHEL, in order to maintain Organization top in order organization, BHEL provides various benefits to its employees but it should be enlarged, in changing situation.

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Employee satisfaction is of utmost importance for employees to remain happy and also deliver their level best. Satisfied employees are the ones who are extremely loyal towards their organization and stick to it even in the worst scenario. They do not work out of any compulsion but because they dream of taking their organization to a new level. Employees need to be passionate towards their work and passion comes only when employees are satisfied with their job and organization on the whole. Employee satisfaction leads to a positive ambience at the workplace for better performance and productivity.

The first benefit of employee satisfaction is that individuals hardly think of leaving their current jobs. Employee satisfaction in a way is essential for employee retention. BHEL need to retain deserving and talented employees for long term growth and guaranteed success. Organization hire new individuals but no one can deny the importance of experienced employees. It is essential for BHEL to have experienced people who can guide Fresher's or individuals who have just joined.

Retaining talented employees gives BHEL an edge over Competitors as they contribute more effectively than new joinees. Moreover, no new individual likes to join an organization which has a high employee attrition rate. Employees who are not satisfied with their jobs often badmouth their organization and also warn friends and acquaintances to join the same.

Employee satisfaction is essential to ensure higher revenues for the organization. No amount of trainings or motivation would help, unless and until individuals develop a feeling of attachment and loyalty towards their organization. Employees waste half of their time fighting with their counter parts. Employees who are satisfied with their jobs seldom have the time to indulge in nasty office politics. They tend to ignore things and do not even have the time to crib or fight with others. Satisfied employees are the happy employees who willingly help their fellow workers and cooperate with the

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Organization even during emergency situations. Such employees do not think of leaving their jobs during crisis but work hard together as a single unit to overcome challenges and come out of the situation as soon as possible. For them, their organization BHEL comes first, everything else later. They do not come to office just for money but because they really feel for the organization and believe in BHELs goals and objectives. Satisfied employees also spread positive word of mouth and always stand by each other. Instead of wasting their time in gossiping and loitering around they believe in doing productive work eventually benefitting the organization. They take pride in representing their respective organizations and work hard to ensure higher revenues for the BHEL.

Satisfied employees tend to adjust more and handle pressure with ease as compared to frustrated ones. Employees who are not satisfied with their jobs would find a problem in everything and be too rigid. They find it extremely difficult to compromise or cope up with the changing times. On the other hand, employees who are happy with their jobs willing participate in training programs and are eager to learn new technologies, software's which would eventually help them in their professional career. Satisfied employees accept challenges with a big smile and deliver best even in the worst of circumstances.

1.6 Research Methodology

The Research work will make out in-depth analysis of employees benefits Programmes, its utility and the impact that has created a sense of satisfaction among the employees, loyalty and commitment enhancing the productivity of BHEL. For formulation of research problem, research design will be needed. Thereby making research highly efficient yielding maximum information with minimum expenditure of effort, time and money.

The validity of any research is based on the systematic method of data collection and analysis. The research design will be descriptive and exploratory

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in nature. The study will make an attempt to Analyze the existing data. Both primary and secondary data will be used for the study. Primary data will be collected through Survey method by distributing Questionnaire. The Questionnaires will be obtained from **200** respondents from **BHEL, Bhopal**. The secondary data will be collected for the study from Books, Journals, Newspapers, Magazines and from internal sources. The collected data willbe analyzed through Percentage, Average, Range, Standard Deviation, **Bar-graph** and **Chi Square test** to find association ship, and for getting the result full proof. Study will be made to explore and describe various aspects of employee's satisfaction in **BHEL, Bhopal.** After a careful scrutiny of various benefits, we have selected **BHEL, Bhopal** for two prime reasons. This Organization is leading Organization and secondly for providing employment and economic development of the country.

Data, Analysis and interpretations will be made with mathematical techniques, graphic and diagrammatic presentation :

- **Ratio Analysis:**
- **Trend Analysis:**
- **Mean or Average:**
- **Standard Deviation:**
- **Correlation Analysis:**
- **Graphic and Diagramatic Presentation:**
- **Chi Square Test:**
- **Z-Test:**
- **ANOVA Test:**

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1.7 Plan of the Study

The Present work will be divided in six chapters.

Chapter – 1. Introduction:

This chapter will include introductory aspects of the work, in which focus will be given on employees benefits and satisfaction in public sector undertakings. We will describe various benefits which employees gets and the extent of satisfaction of employees in this chapter. This chapter will present the statements of research problems, review of literature, objectives and importance of the study followed by hypothesis, methodology and analytical tool used. This chapter will also include plan of the study.

Chapter – 2. Bharat Heavy Electric LTD (BHEL): An Overview

BHEL is a indigenous Heavy Electric Equipment industry in India. It was established in 1964 and was converted into public limited company. Overtime, it developed the capability to produce a variety of electrical, electronic and mechanical equipment's for all the sectors. The bulk of the revenue of the BHEL is derived from sale of equipment of power generation. Employees are in the Centre of the organization, keeping these points in view this chapter will highlight the positive effect of BHEL on the satisfaction of employees.

Chapter – 3. Employees Satisfaction: A Conceptual Frame work:

This chapter will be devoted to highlight the concept of employee benefits and employees satisfaction in public sector undertaking in India. Benefits plays key role having positive effect on employees contribution and satisfaction. Against this background we will discuss various employee's benefits provided by the organization and its impact on satisfaction of employees in this chapter.

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Chapter – 4. Role of Employees Satisfaction in Power Sector undertakings:

In this chapter focus will be given on the Role of Employees satisfaction in power sector undertaking.Employees satisfaction in power sector undertaking are influenced by various benefits provided by the organization. Power Sectors are trying their best to satisfy their employees but it cannot be achieved because employees have demand of more and more benefits.

Keeping these things in view in this chapter, we will discuss the role of employee's benefits on employee's satisfaction in power sector undertakings.

Chapter – 5. Impact of Employees Satisfaction on Higher Productivity in BHEL , An Analysis

In this chapter of present work, we will analyze the various benefits which BHEL provided to their employees for their satisfaction and for making BHEL top in class organization. BHEL is providing too many benefits to their employees but still there is scope of enhancement. In this chapter an analysis will be made to highlight impact of employee's satisfaction for higher productivity in BHEL, Bhopal.

Chapter – 6. Findings and Suggestive Measures:

In this last chapter we will discuss findings and will highlight such draw backs which negates the satisfaction of employees working in BHEL. We will also make an attempt to present suggestive measures which could be guideline for the policy makers of BHEL, (Bhopal).

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